GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1086
ANSWERED ON:28.07.2000
EXPORT OF SPICES
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the export of spices has decreased during the current year;

(b) if so, the reasons therefor;

(c) the spices exported during the current year in comparison with the corresponding year; and

(d) the steps taken by the Government to increase its export?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(a) & (b): Yes Sir. The export of spices has decreased during April - June 2000 compared to the corresponding period of previous year. The decline in export of spices is mainly on account of the following reasons:-

(i) Oversupply of pepper, chilli, ginger and turmeric in the international market has reduced the prices. Indian prices are higher compared to the other suppliers.

(ii) Non availability of adequate export surpluses in the case of coriander, cumin, celery, fennel and fenugreek. The domestic prices of these commodities are very high due to increasing home consumption.

(iii) Poor international demand in case of celery and fennel.

(c): The estimated export of spices during April - June 2000 compared to corresponding period of pervious year is given below:

Period	Quantity(MT)	Value(Rs.lakhs)
April - June 2000(E)	47,620	37083.40
April - June 1999(P)	70,905	57278.84

(E) Estimated (P) Provisional

These include pepper, chilli, cardamom, ginger, turmeric, coriander, cumin, celery, fenugreek, garlic, curry powder, mint oil, spice oil & oleoresins etc.

Source: Spices Board.

(d): Apart from general trade policy reforms, some of the steps taken to enhance exports of spices include rationalisation of cess on export of spices @ 0.5% to make them price competitive in the overseas market, implementation of Brand Promotion schemes like `Indian Spices Logo` awarded to exporters of value added spices and the grant of `Spice House Certificate` to exporters of spices in bulk who adhere to quality standards; setting up of laboratories for testing of products to ensure quality, technology transfer, process upgradation and product development. In addition, Government / Spices Board is also taking the following steps to increase export of spices.

(iv) Product diversification by developing new markets, new applications and new brands.

(iv) Developing organic spices and spice products for catering to the niche markets for spice products.

(iv) Sending business delegations to non traditional markets like Latin American Countries to develop market for Indian spices.

(iv) Striving to improve quality of Indian spices and spices products beside making products cost competitive through introduction of improved technology.